

FOREIGN POLICY REPORTS

August 1, 1937

Mexico's Social Revolution

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PUBLISHED TWICE A MONTH BY THE

Foreign Policy Association, Incorporated

EIGHT WEST FORTIETH STREET, NEW YORK, N. Y.

VOLUME XIII NUMBER 10 25¢ a copy \$5.00 a year

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BY CHARLES A. THOMSON

with the aid of the Research Staff of the Foreign Policy Association

MEXICO has a significance for contemporary world movements all too little recognized. It is the only country in Latin America now undergoing a peaceful process of socialization. While the trend in most of the republics to the south has recently been to the right, Mexico has moved to the left. But it has gone at its own pace, and in its own way. The Mexican revolution antedated the Russian by seven years; it has been influenced to a surprisingly small degree by the latter movement.

The Mexican revolution entered a new stage with the inauguration on November 30, 1934 of President Lázaro Cárdenas. Political leaders have repeatedly affirmed the continuity of the movement which since 1910 has proclaimed the importance of political, economic and social reform. General Cárdenas himself has described the revolution as a developing process "that does not stagnate but lives on with an organic life which gives it constant renovation."¹ Its slogans have long called for promotion of nationalism, political democracy, land reform, labor organization, popular education, and for limitation of the powers of the Church. But the Cárdenas administration brought such broadened and intensified activity in the drive toward these goals as to elicit the charge from opposition critics that it has started a new revolution, not merely carried forward the impetus of the original movement.

By 1934 the Mexican revolution had apparently run a cycle. Enthusiasm for reform had evaporated. Of its former planks, there remained active

insistence only on political nationalism and recurrent baiting of the Church.^{1a} The ideal of "effective suffrage; no reelection" was still accorded lip-service. But General Plutarco Elías Calles, President and later president-maker, had been Mexico's *de facto* ruler for ten years. The crusade against governmental corruption had yielded to disillusionment and cynicism. Calles and his satellites had acquired large landholdings and other properties. The "Men of the Revolution" had become a new bourgeoisie, a new class of capitalists, with extensive investments in *haciendas*, cattle ranches, important industries, realty developments, hotels and gambling houses. With their riches, they had taken on economic and social conservatism.

In the opinion of this ruling group, the long campaign for agrarian reform had resulted in failure, as Calles had declared in 1929 and again in May 1933. They viewed with particular disfavor the program to establish communal land-holding and demanded that it be abandoned and emphasis be placed instead on making Mexico another France by creating a class of small, independent farmers. Political control and exploitation had brought the labor movement, once so flourishing, to division and weakness. The influence of the United States and of foreign capital generally supported this trend to the right.²

1a. Under President Abelardo Rodríguez (1932-1934), new stimulus was given to agrarian reform.

2. One student remarks concerning the influence of Ambassador Dwight Morrow on Mexican developments that "coincident with his presence in Mexico the life went out of the revolution (He) succeeded in putting the brakes on the only real reform movement in the history of the country." Eyer N. Simpson, *The Ejido—Mexico's Way Out* (Chapel Hill, University of North Carolina Press, 1937), pp. 581, 582.

1. Radio address of November 30, 1936, quoted in National Revolutionary Party, *Mexican News Letter* (Mexico City), December 1, 1936.

But with President Cárdenas came a turn in the tide. The program of land distribution was hastened and the labor movement, for a time at least, took on new unity and new life. The trend toward nationalization of resources and of industry was accentuated.

CÁRDENAS' PLATFORM: THE SIX-YEAR PLAN

In May 1933 General Calles had announced:³ "The hour has come to formulate a detailed program of action for the period covered by the next six-year presidential term." Consequently the Six-Year Plan was drawn as the party platform for the incoming Cárdenas administration. Its formulation represented fundamentally a move on the part of the Calles right-wing leaders in the National Revolutionary party—the government political machine—to appease by promises the demands of left-wing elements for further reform. As the result of this political strategem, the program outlined was vague and sometimes contradictory in character. After brief discussion and some amendment as the result of left-wing insistence, the Plan was officially adopted by the Querétaro convention of the National Revolutionary party in December 1933.⁴

Despite the resemblance in name to the Russian Five-Year Plan, the Mexican document did not prove to be an analogous product. Instead of a carefully calculated program for the development of economic and social life, the Mexican Plan was largely taken up with the enunciation of good intentions and general principles. It listed some specific goals, but failed to outline the detailed steps by which they were to be reached. Behind its verbiage, it represented a prudent attempt on the part of General Calles to cast the mould and fix the course for the incoming administration.

The Six-Year Plan was designed to promote progressively in Mexico a régime of "directed economy." The state was to play an increasingly active rôle in the management and regulation of national life.⁵ In the field of national economy, state intervention and control was to promote development of a Mexico for the Mexicans, which would subordinate the influence of foreign capital in internal affairs, and diminish the country's de-

pendence on foreign markets. The nationalization of the subsoil was to be made effective and national mineral and petroleum reserves were to be created. In the "extractive" industries, policies were to be directed toward encouraging greater Mexican participation.

Solution of the agrarian problem was stressed. The Plan pledged the grant of lands and water to "all centers of population" lacking them. The program of distribution was to be continued until it achieved "the complete satisfaction of the agricultural necessities of the centers of rural population." Red tape was to be cut, and governmental machinery speeded up. But this accelerated program was not to be viewed as menacing small private properties, for it was stated that a "strict respect for small property is fundamental."⁶ The Plan promised allocation from the government budget of at least 50 million pesos during the next six years for agricultural credit, and an additional 50 million pesos for completion of large-scale irrigation projects.

The rights of labor were to be safeguarded by the state, which would intervene to assure every individual the right to work. Support was voiced for labor unions, collective bargaining and the principle of the closed shop. Social insurance and other legislation was promised.

National unity was to be strengthened by improved communications. During the six years of the Plan, the federal government was to construct two trunk highways: one from Nuevo Laredo on the American border to the Pacific port of Acapulco on the southern coast; the other running from Sonora in the northwest to Chiapas in the southeast. Local roads were to be built by state governments. New railroads were to link isolated regions with the rest of the country. Aviation was to be subsidized and the development of a merchant marine encouraged. The share of public health in the central budget was to be increased from three per cent to five and one half per cent. Education was to receive at least 15 per cent of the federal budget in 1934, and subsequently an increase of at least one per cent a year, reaching 20 per cent in 1939. Rural education was to be given preference over other activities, and during the six years a total of 12,000 new federal schools was to be established in the rural districts.⁷

6. *Plan Sexenal*, cited, p. 25.

7. 1,000 in 1934; 2,000 each in 1935, 1936, 1937 and 1938 and 3,000 in 1939. Prior to the Six-Year Plan Mexico was reported to have 7,504 federal rural schools, and consequently the proposed increase was one of more than 150 per cent. Cf. Manuel R. Palacios, "la gestión educativa bajo el gobierno del sr. gral. lázaro cárdenas," *Eurindia* (Mexico City), May 1936.

3. In his famous interview with Ezequiel Padilla. The complete Spanish text is given in *El General Calles Señalando Rumbos* (Mexico City, Imprenta de la Secretaría de Relaciones Exteriores, 1933).

4. On the history of the Six-Year Plan, cf. *Plan Sexenal del P.N.R.* (Mexico City, 1934), pp. IX-XIII; and Simpson, *The Ejido—Mexico's Way Out*, cited, pp. 451-55. The first source contains the official text of the Plan and will hereafter be cited as *Plan Sexenal*.

5. *Plan Sexenal*, cited, p. 17.

It was the National Revolutionary party, and not the government as such, which took the initiative in the formulation and adoption of the Six-Year Plan. The PNR⁸ had been formally organized on March 4, 1929. It was created by Calles to enforce unity among the political groups supporting the Mexican revolution, when the assassination of Obregón threatened to result in civil strife. It provided Mexico with an institution for political control and propaganda, a well-articulated structure which covered the whole country and reached down into the small villages. At present this organization is as completely controlled by Cárdenas as it was formerly by Calles. For all practical purposes the PNR is the only political party in Mexico. The existence of other parties is permitted, but with control of the electoral machinery in the hands of the PNR, their candidates have no real chance of success. The President and his cabinet, the majority of representatives and senators in Congress, of state governors and of state legislators are members of the party. The president of the PNR sits with the national cabinet. Party nominees have often been hand-picked by the government, and success in the primaries is tantamount to election. Thus Mexican leaders have created what is to all intents and purposes a single-party system, although legally the PNR does not monopolize the political field, as the government party does in the totalitarian dictatorships of Europe. In May 1936 the party claimed 917,000 members. It is supported by "contributions" from federal employees of one day's pay in each month having 31 days; and its income approximates three million pesos a year.⁹

Cárdenas has moved to give the workers and peasants greater representation in the National Revolutionary party. Following the ousting of the conservative Portes Gil as party president, left-wing elements laid down a new "line" in a manifesto of September 4, 1936. The party membership, hitherto confined to government employees and officeholders, was opened to workers and peasants, membership in a *bona fide* trade union or an *ejido* village being sufficient to qualify an individual to vote in the party primaries.¹⁰ In accordance with this policy, the primaries held on April 4 and 11,

1937 saw some 35 candidates representing jointly the worker and peasant organizations as well as the PNR. Twenty-two of these won nominations, according to decisions of the PNR committee reviewing the results of the primaries.¹¹ In the elections held on July 4 the PNR claimed to have captured at least 160 of the 173 Congressional seats. An attempt during the campaign to form a Popular Front supported by the PNR, the Confederation of Mexican Workers, the Mexican Peasant Confederation (CCM) and the Communist party, was unsuccessful.

CARDENAS BECOMES PRESIDENT

Following adoption of the Six-Year Plan,¹² the Querétaro convention of the National Revolutionary party unanimously named General Lázaro Cárdenas as its presidential candidate. Cárdenas was only 38 at the time and represented the younger generation of revolutionary leaders. Born in Michoacan on May 21, 1895, of mixed Spanish and Indian blood, he had left school at the age of 13 to help support his widowed mother and seven brothers and sisters. When 18 he joined the troops opposing the reactionary President, General Victoriano Huerta. He fought through the revolution, and rose to be a general at the age of 24. Later he was elected governor of his native state of Michoacan. During his term he cut salaries, balanced the budget, speeded up land distribution to the Indians, built schools, roads and railways, and enforced the anti-Church laws. He has also served as head of the National Revolutionary party and twice held cabinet posts, as Minister of Interior and Minister of War.¹³

Cárdenas opened his political campaign on January 15, 1934. Although his nomination by the PNR automatically insured his election he nevertheless undertook a tour throughout the republic such as Mexico had never seen. He visited the most remote sections of the country, covering more than 16,000 miles by airplane, train, automobile, launch and on horseback.¹⁴ He spoke to workers,

11. *Mexican Labor News*, May 12, 1937. Women members of trade unions and *ejido* communities, as well as of the PNR, were given the right to vote in the primaries. But the right of woman's suffrage has not been extended to official elections.

12. The Six-Year Plan was put into effect on January 1, 1934 by President Abelardo Rodríguez. He was granted extraordinary powers by Congress for this purpose.

13. For biographical material on Cárdenas, cf. Djed Borques, *Lázaro Cárdenas: síntesis biográfica* (Mexico City, Ediciones "Boi," 1933), and Carleton Beals, "Cárdenas Organizes Capitalism," *Current History* (New York), May 1937.

14. Cf. *La Jira del General Lázaro Cárdenas* (Mexico City, National Revolutionary Party, 1934), p. 141. This source (pp. 142-96) publishes the most important speeches of the campaign.

8. From the initials of its Spanish name, *Partido Nacional Revolucionario*.

9. *First Annual Report presented by the National Executive Committee of the National Revolutionary Party* (Mexico City, June 26, 1936). This declares (p. 31): "There has never been a plan, a thesis or a step in the social movement of the country, on which Government and Party have not agreed. Its criteria—that of the Executive—is ours; its action we fully upheld and support."

10. National Revolutionary Party, *Manifiesto del Comité Ejecutivo Nacional* (Mexico City, September 1936), pamphlet.

peasants, Indians. He learned at first hand what isolated villagers wanted from their government.

In the elections held on July 1, 1934, Cárdenas was credited with 2,268,567 votes. The electoral machinery under the control of the PNR permitted his opponents to claim only a handful.¹⁵ The National Revolutionary party captured all the seats in the Chamber of Deputies and 49 out of 58 seats in the Senate. The inauguration of the new President took place on November 30, 1934. He had been picked by Calles, elected by the Calles-bossed PNR, and his cabinet was composed largely of men friendly to Calles, including a son and uncle of the "Supreme Chief."

But economic causes had already opened a rift between the two leaders. Calles' policy of pegging the peso to the dollar had enriched Mexico's exporters, but led on the other hand to internal inflation and an increase in the cost of living. Agitation for higher wages to meet rising prices resulted in a minimum wage law approved in 1933 under President Abelardo Rodríguez. This, however, was not enforced. Cárdenas became the representative in the PNR of labor, the peasants and the other forces of protest; and the strength of the movement apparently forced Calles to approve the Cárdenas candidacy for the presidential office.

Within six months the Calles-Cárdenas struggle came to an issue. A wave of strikes had swept the capital and a score of similar movements were on the horizon. On June 11, 1935 General Calles granted an interview to a group of senators he had summoned to his residence in Cuernavaca. The "Supreme Chief" censured labor organizations and their leaders for the prevailing unrest, and declared that in Mexico, with its extensive legislation for protection of the worker, "to disturb the march of economic construction is not only ingratitude but treason." While expressing friendship for President Cárdenas, he deplored the attempt to draw a line of division between his own and the latter's supporters in Congress, and recalled significantly that a similar development had led to the forced withdrawal, due to Calles' pressure, of President Ortiz Rubio in 1932.¹⁶

15. *Ibid.*, p. 38. General Antonio Villarreal, candidate of the Revolutionary Confederation of Independent Parties, a coalition of relatively conservative elements, was listed with 24,690 votes; Adalberto Tejeda, radical ex-Governor of the State of Veracruz and candidate of Left Socialist groups, with 15,765; and Hernán Laborde, a Communist and head of the Worker-Peasant bloc with 1,188.

16. *El Universal* (Mexico City), June 12, 1935. The text of the Calles statement, Cárdenas' answer, and the declarations of labor groups are given in *Futuro* (Mexico City), July 1935, pp. 463-85.

The Association of Employers, the National Chamber of Commerce and foreign corporations all welcomed the Calles declarations. But twelve of the country's most important labor organizations, including the railway, street-car, mining and electrical unions, as well as the Mexican General Confederation of Workers and Peasants, announced that the rights of the workers would be defended, if necessary by a general strike, "against the possible implantation of a Fascist régime."¹⁷ Student groups also condemned the Calles statement.

The clash between President and president-maker confronted political leaders with a difficult problem. The majority groups in both Senate and Chamber first motored to Calles' residence in Cuernavaca and pledged him their allegiance; but two days later they reversed their stand and announced they would back President Cárdenas. On June 13 Cárdenas had openly challenged Calles in a public statement. In this he denied seeking to promote personal divisions, declared he had "full confidence in the labor and peasant organizations," and concluded with a pledge to measure up to the responsibilities of the post to which the people had elected him, thus clearly indicating he had no intention of surrendering office at Calles' behest, as Ortiz Rubio had done.

At the same time Cárdenas demanded the resignation of his pro-Calles cabinet. Calles' sympathizers holding other important positions in both army and civil administration were ousted. Emilio Portes Gil became president of the National Revolutionary party. An astute politician, he had played an important rôle behind the scenes, having secured for Cárdenas the support of leaders in most of the states. On June 17 Cárdenas named a new cabinet of trusted friends. Meanwhile Calles had declared that he had been misunderstood, and announced that he was departing for his ranch in Sinaloa "leaving all responsibility for public affairs with those who have them in their hands." Thus ended a period of eleven years during which he had been master of Mexico.¹⁸

17. It was reported that three leading newspapers—*El Universal*, *Excelsior* and *El Nacional*—all refused to publish this statement, although payment for its insertion was offered. Cf. *Futuro*, July 1935, p. 475.

18. Calles, disturbed by rumors that he was to be charged with complicity in Obregón's assassination, returned to Mexico City on December 13, 1935. This move was met by the dismissal from office of additional Calles partisans. The PNR voted to expunge his name from the party list. On April 10, 1936 Calles and his follower—Luis Morones, former chief of the CROM—were deported by airplane from Mexico to the United States.

A PATERNALISTIC DICTATOR

President Cárdenas remained unquestioned master of the scene. He has since ruled as practical dictator. The appearance of democratic processes is maintained, but through the PNR he controls Congress and all political office.^{18a} The change from life to six-year terms for members of the Supreme Court has strengthened the tendency of the judicial arm to cooperate with the executive. It must be recognized, however, that the Cárdenas administration has unquestionably widespread support from the masses of the people. It permits extensive freedom of the press;¹⁹ and the factional conflicts between rival federations demonstrate that there is also freedom of labor organization.

The Mexican President is a unique type of dictator. He is not only hard-working, and gifted with remarkable memory and untiring energy. His personal honesty is universally admitted. He is modest and apparently lacks completely the thirst for adulation so common among dictators in Latin America and elsewhere. He is courageous, is reported never to carry a weapon, and frequently loses his body-guard as he mingles in large crowds.²⁰ He is apparently sincere in his idealism and his reform program. Yet with all this, he is a shrewd politician—witness the skill with which he toppled Calles from power and his ability to hold within his cabinet leaders of such divergent tendencies as General Francisco J. Mújica on the left and General Saturnino Cedillo on the right.

Cárdenas' frequent and extended trips throughout the country have fulfilled two functions which may be viewed as the obverse and reverse of one medal. Such a plan of action promised to cut red tape and accelerate attainment of the President's central goal—betterment of the economic and social lot of the Mexican masses. At the same time this policy laid the foundation for a powerful political machine. The tactics used, however, were radically different from those generally employed

by former rulers. Cárdenas set out to found support for his régime, not on individual politicians, each with his own separate following, but directly on the popular masses, whose loyalty he proposed to win and hold by personal contact, and by orienting government policy in their favor.

President Cárdenas has been termed both a Communist and a Fascist. Neither term is accurate. Cárdenas is a practical man of action, whose thinking is governed by a few simple ideas rather than by doctrinaire convictions. In his speeches he avoids general phrases; he seldom mentions the "class struggle"; he talks of plain, concrete things. Mexican conditions, not foreign dogmas, have shaped his policies. Some of his associates declare that his philosophy can best be defined as pro-the-common-people. His sympathies align him with the worker as against the employer, with the landless peasant as against the large landholder. Temperamentally he is closer to the rural peasant than to the town worker. His policies point toward an extension of state socialism. But progress toward this paternalistic goal will be opportunistic, gradual, "reformist," with realistic appreciation of Mexico's semi-feudal heritage, and its semi-colonial status with respect to foreign capital. His government is primarily based on a rural machine. It is not a government by the people; Mexico has never had such a rule. Yet at the same time, in its popular support and in its aims, it is to considerable degree a government of the people and for the people.

In his development of mass support to forestall the threat of conservative reaction, President Cárdenas has addressed himself to three groups: the agrarians or peasants, the organized labor movement, the army rank-and-file. He has emphasized the need of unity among both rural and urban workers, and has sought to end the chronic factionalism which has weakened the two divisions of Mexico's proletariat. The bonds of sympathy uniting workers and soldiers have also been emphasized. At the same time Cárdenas has taken steps to keep the three groups linked directly to himself, rather than to each other; and any undue growth in power of one finds a counter-balance in the strength of the others. As one illustration of this policy, the President blocked an attempt of labor leaders to organize the peasants, and insisted that this program be kept in the hands of the National Revolutionary party.

The government has increased the relative strength of the agrarians by giving them arms. In many parts of the country *ejidatarios* (or communal landowners) in enjoyment of their new

18a. Congress granted the President extraordinary powers to legislate by decree on the following matters from January 1 to August 31, 1937 (when Congress is to reconvene): credit and money, public investments, public debt, insurance, finance and pensions (relating to government employees), customs and other matters connected with the Department of Finance and Public Credit; subjects relating to commerce, including co-operatives, mining, petroleum and electric power; matters relating to the Department of Interior, the law of population and the law of immigration; and questions relating to public education, agrarian problems, communications, public health, agriculture, war, criminal law and criminal procedure.

19. Cf. *New York Times*, May 9, 1937, and *Excelsior* (Mexico City) February 19, 1937.

20. For a vivid description of Cárdenas' character and habits, cf. Frank Tannenbaum, "Cárdenas—An Informal Portrait," *Survey Graphic* (New York), August 1937.

farms had been threatened by the armed guards of the large landholders, from whose *haciendas* the plots had been taken.²¹ On July 17, 1935, in a speech to Indian farm workers near Guadalajara, President Cárdenas announced that arms would be given to the agrarians to defend their lands. They were to be organized into an army reserve, its personnel being chosen from the *ejidatarios* actually in possession of their parcels. The army was charged with the work of organization, and officers were detailed to train and drill the reserve units. Despite this military control, it seemed clear that the armed agrarians actually constituted a counterweight for the army. This step not only fortified the position of the peasants; it also provided Cárdenas with a force which could be used to defend his policies and thus avoid use of the army in social conflict. Recent estimates place the number of agrarians who have received arms at 100,000. The movement has gone farthest in those states where opposition to the agrarian reform was most aggressive—Jalisco, Michoacan, Mexico and Vera Cruz.²²

President Cárdenas, however, has not neglected the army. There also he has applied his policy of appealing to the masses. The pay of soldiers has been raised. A decree made it obligatory for officers to be recruited from the ranks, and required one year of service as a common soldier before entry into the Military Academy. The President also initiated a program to establish coeducational boarding schools, to provide an adequate education, including industrial training, for the sons and daughters of men in barracks. By July 1937 six such schools had been established and 14 additional schools were planned. At the same time the army generals were kept satisfied by non-interference with the growth of their private incomes.²³

GOVERNMENT SUPPORTS LABOR

The agrarian policy of the Cárdenas régime will be discussed in a succeeding issue of *Foreign Policy Reports*, which will give particular attention to the bearing of Mexico's program of social reform on relations with the United States. The republic's industrial workers have received support from the

present administration second only to that accorded the rural masses. President Cárdenas, both in public statements and practical policies, has frequently aligned himself with labor as against capital.²⁴ His attitude toward the industrial struggle was clearly defined in February 1936 at Monterrey—an important steel and manufacturing center, sometimes called the Chicago of Mexico. Following a strike at La Vidriera glass factory, the employers' associations ordered a general shut-down in the city lasting two days and staged a protest parade in which 60,000 persons were reported to have taken part. This manifestation was directed against alleged "Communist" influence, which was declared responsible for labor unrest.²⁵

On February 7 President Cárdenas suddenly appeared at Monterrey to investigate the situation at first hand. After interviewing representatives of the opposing camps as well as local officials, he issued declarations which, summarized in Fourteen Points, expressed the pith of his labor policy. In addition to emphasis on the importance of close cooperation between the government, capital and labor for the solution of industrial questions, and on the desirability of a single unified, nation-wide labor organization, the Fourteen Points included the following statements:

"The Government is the arbiter and regulator of social life.

"Assurance that the demands of the workers will always be considered within the margin offered by the economic possibilities of the companies.

"The Government is interested, not in exhausting the nation's industries, but in promoting their growth, for the Administration relies on the proceeds from taxes for its support.

"Any employers feeling weary of the social struggle may turn their industries over to the workers or to the Government. This action would be patriotic; a shut-down not."²⁶

24. Because of the predominance of foreign investments, nationalist sentiment explains in large part the relative hostility to capital shown by most Presidents since the revolution. The Mexican labor movement has been much publicized and its importance in the national scene is often over-rated. Of Mexico's economically active population of 5,165,800 in 1930, 3,626,000 or 70.2 per cent were occupied in agriculture and allied activities, and only 743,000 or 14.4 per cent in industry—including manufacturing, petroleum and mining.

25. The development of native industrialism at Monterrey bids fair to produce an alignment of social forces similar to that in the "steel area" of the United States. Some observers view this point as the most likely focus of organization for the protagonists of reaction in Mexico.

26. This last point was called forth by a threat from one of the employers that in a moment of desperation they would be disposed to abandon their activities. The principal documents relating to the Monterrey incident are contained in *Los Catorce Puntos de la Política Obrera Presidencial* (Mexico City, National Revolutionary Party, Biblioteca de Cultura Social y Política, February 1936).

21. For an illustration, cf. *Mexican Labor News*, January 20, 1937.

22. For the government's conception of the movement, cf. editorial in *El Nacional* (Mexico City), October 14, 1936. Previous moves to arm and disarm the peasants are reviewed in Marjorie R. Clark, *Organized Labor in Mexico* (Chapel Hill, University of North Carolina Press, 1934), pp. 162-64.

23. The army's strength of approximately 50,000 men has been increased by some 4,000 during the Cárdenas administration, but the military budget has grown from 62 million pesos in 1935 to 80 million for 1937.

A month later he formulated a significant definition of the government's policy on social justice, stating: "The modern conception of the functions of the State and of the very nature of labor legislation, from a broadly universal standpoint, requires that doubtful cases be decided in favor of the weaker party. To mete out equal treatment to two parties that are not equal, is neither to administer justice nor to act equitably."²⁷

Concerning labor organization, Cárdenas has said: "Labor unions are the workers' best weapon and are worth far more even than the protection imparted by the laws and the authorities Collective bargaining with workers will be strengthened until it shall prevail to the exclusion of all other forms of contract."²⁸ He foresees a gradual expansion of the rôle of labor. Workers must improve their technical knowledge to fit themselves to take part in the management of enterprises.

However, immediate socialization of industry is out of the question. At Monterrey the President declared that "the working classes know that they cannot appropriate factories and other instruments of work, because they are not, for the time being, either technically fitted for management, or in possession of the financial resources needed to succeed in an undertaking of such magnitude." Social change must be carried out, as far as possible, in an evolutionary and peaceful manner. "What is important," according to the President, "is that the social struggle inherent in the economic régime under which the life of Mexico unfolds, shall develop with calmness, with loftiness of aim and within the bounds set by the law."²⁹ In the field of labor legislation, one of the most important laws—that of February 19, 1936—made payment for the weekly rest day obligatory.

But if labor is to fulfill its increasingly important rôle, Cárdenas holds it must abolish fratricidal divisions and factional struggles within its ranks, and fuse the strength of all its members in one central nation-wide organization. In this task of unification, the workers themselves, not the gov-

ernment, should take the initiative. Official domination of labor organizations had proved harmful in the past, and consequently the President pledged his administration not to favor any particular union or federation.³⁰

The history of the Mexican labor movement amply illustrates the evils of factionalism and political interference stressed by President Cárdenas. From 1920 to 1928, during the Obregón and Calles administrations, the *Confederación Regional Obrera Mexicana*, better known from the initials of its name as the CROM, enjoyed strong governmental support and became under the leadership of Luis Morones the almost undisputed master of the Mexican labor movement. But when it lost official favor, it promptly fell a prey to division and dissension.³¹

Following the Calles-Cárdenas split a Congress of Proletarian Unification, held in Mexico City February 21-24, 1936, led to the organization of the Confederation of Mexican Workers or CTM (*Confederación de Trabajadores de México*), whose outstanding leader has been Vicenté Lombardo Toledano. The new organization embraced many unions formerly connected with the CROM, together with some Communist-led groups, and included such important labor sectors as the railwaymen, miners, electricians and printers. It was Marxian in philosophy, but announced a moderate and gradual program. It defined its principles and aims as follows:

"The Confederation of Mexican Workers is not Communist. The Confederation of Mexican Workers does not propose to abolish private property counter to historic reality The Confederation of Mexican Workers looks forward, naturally, to a society without exploiters or exploited; but it does not try to play at social revolution nor to anticipate historic destiny in an absurd and unjustified manner. In the actual stage of the evolution of the country, the Confederation of Mexican Workers sets itself the task of bettering the economic and moral conditions of the working class, of defending the political, moral and economic independence of the Mexican nation, and of preventing the enthronement of a dictatorial or tyrannical Gov-

27. Cf. Lázaro Cárdenas, *En Defensa de los Trabajadores* (Mexico City, National Revolutionary Party, Biblioteca de Cultura Social y Política, April 1936).

28. The Cárdenas administration has been definitely hostile to "company" unions. The Supreme Court, in a decision handed down on December 2, 1936, refused legal recognition to such unions. Cf. *Mexican Labor News*, December 9, 1936. At Monterrey in February 1936 the President warned employers against interfering in the labor organizations of their employees.

29. *Los Catorce Puntos de la Política Obrera Presidencial*, cited, pp. 29, 30.

30. *Los Catorce Puntos de la Política Obrera Presidencial*, cited, pp. 28, 29.

31. By 1928 the growing conservatism of Calles, the outgoing President, had caused his former cordiality toward labor to cool. Obregón, the new President, based his political strength on agrarian leaders, who were bitterly hostile to the CROM. The best history of the Mexican labor movement (up to 1933) is given in Clark, *Organized Labor in Mexico*, cited. Cf. also Frank Tannenbaum, *Peace by Revolution* (New York, Columbia University Press, 1933), Chapters 19-23; and Ernest Gruening, *Mexico and Its Heritage* (New York, Century, 1928), pp. 335-90.

ernment which would deprive the people of their social and civil liberties."³²

It affiliated with the International Federation of Trade Unions of Amsterdam (which is Socialist in philosophy), not with the Communist Trade Union International.

Although it was generally believed that the CTM enjoyed official aid and backing, the organization denied receiving any economic assistance from the government, and pledged itself to independence of the state. At the same time it announced support of President Cárdenas, because of his "honest and revolutionary program." By April 1937 the CTM asserted that it included some 740,000 workers.³³

Meanwhile, friction between the CTM and the more conservative CROM (which had retained control of a number of unions, particularly in the textile industry) had been more or less constant and had frequently led to armed clashes and bloodshed.³⁴ The prospects of industrial peace between the CTM and the CROM were not strengthened by the reappearance in April 1937 of Luis Morones, veteran leader of the latter body, who had been exiled with Calles.

THE CHALLENGE OF STRIKES

Despite the friendly attitude of the Cárdenas government toward labor organization, the administration has taken definite steps from time to time to place limits on the power of the movement. The President blocked organization of the agrarians by the CTM, probably foreseeing that such union of rural and industrial workers might prove strong enough to dictate to the government. The authorities have frowned on attempts to affiliate organizations of government employees with the labor movement. In May 1937 the Minister of Communications ruled that government employees were not included within the provisions of the Federal Labor Law, and thus were not ac-

corded the right to strike.³⁵ Following a wave of teachers' strikes, the Minister of Education declared that such movements were "a betrayal of the Revolution and of the teacher's obligations to the children of the working classes." However, on July 5, 1937, the government announced the draft of an executive resolution granting employees of the executive departments (except the army and police) the right to organize, make collective contracts and, under certain restrictions, to strike.³⁶ The great majority of these employees were to be protected by civil service regulations, thus promising an end to the existing spoils system in government offices.

Early in his régime President Cárdenas declared with regard to strikes that "when settled reasonably and within the spirit of social justice, they contribute in time to make the economic situation more sound, since their correct solution results in greater welfare for the workers, obtained in accord with the economic possibilities of capital."^{36a} The government has at times cast its influence against strikes which might be judged a serious threat to public order or national welfare. In May 1936 a strike declared by the railroad workers was preemptorily declared illegal by the Federal Board of Conciliation and Arbitration.³⁷ The administration, however, took no steps to block a strike of electrical workers in July 1936, which continued for ten days and seriously hampered industrial and commercial activities. In the settlement of the dispute, the workers won the right to share in profits to the sum of 900,000 pesos annually.

Moreover, the authorities did not oppose a strike of some 18,000 oil workers which was called at midnight on May 27, 1937. The movement had been originally scheduled for the previous November, but at the request of President Cárdenas, the Syndicate of Petroleum Workers, affli-

32. "Manifiesto al Pueblo de la República," published in *El Nacional*, March 13, 1936. Cf. also the CTM's Declaration of Principles in its *Estatutos* (Mexico City, 1936).

33. *El Nacional*, April 30, 1937. At this time a split, apparently provoked by Communist leaders, resulted in the separation from the CTM of the railwaymen, electricians and other unions, with an estimated 140,000 members. Pressure from the Communist party in the United States, however, led Mexican Communists to pledge support for restoration of unity. Cf. *Mexican Labor News*, May 5 and 12, 1937, and *Excelsior*, June 30, 1937. On the background of the split, cf. L. O. Prendergast, "Growing Pains of Mexican Labor," *The Nation* (New York), June 12, 1937.

34. The CROM, whose present strength is variously estimated at 75,000 to 150,000 supporters, has been affiliated in the past with the American Federation of Labor. The CTM, on the other hand, maintains cordial relations with the CIO in the United States.

35. *Mexican Labor News*, September 10, 1936 and *El Universal*, May 19, 1937. When various groups of postal employees did strike on June 16, 1937, they lost their jobs. The Federal Labor Law of August 28, 1931 had codified the labor legislation of the national government. For an analysis of its provisions, cf. Clark, *Organized Labor in Mexico*, cited, Chapter VI.

36. *El Universal*, July 6, 1937. Following nationalization of the railroads on June 24, 1937, the workers had protested that their new status as government employees would cost them all their hard-won rights.

36a. *Diario de los Debates de la Cámara de Diputados* (Mexico City), September 1, 1935, p. 16.

37. On the ground that the strikers, in their petition to the Board, had not demonstrated adequate reasons for the movement. The text of the Board's ruling is given in *El Universal*, May 19, 1936. For criticism by the CTM of this decision, cf. *Futuro*, June 1936. It was charged that partial government ownership of the roads was a factor in this step.

ated with the CTM, consented to postpone action for four months while their demands were under discussion with the oil companies. The latter represented principally British-Dutch and United States capital.³⁸ The negotiations covering wage increases, reduction of hours and medical and other social services failed to produce an agreement, and the strike resulted.

During its 13-day course many Mexican industries were forced to close down and a gasoline shortage seriously hampered transportation. The companies offered concessions estimated to be equivalent to 13 million pesos a year, and including a 40-hour week, an increase in the minimum wage from 3.30 to 4.80 pesos and annual vacations ranging from 21 to 30 days. These were rejected by the workers, although they were reported to represent 65 to 70 per cent of labor's original demands. Following presidential pressure, the labor unions voted to end the strike on June 9, with the understanding that the government would name a commission to investigate the companies' books, and thereafter grant the workers the largest concessions which the financial standing of the corporations would permit. While labor is expected to reap important gains from this settlement, the government also is believed to have attained its chief objective—access to the companies' books. Corporation officials view the future of labor relations with considerable pessimism. They declare that the unions frequently fail to live up to contracts and make arrangements a dead letter by policies of "soldiering on the job" or campaigns of terrorism and violence.^{38a}

EDUCATION ENCOURAGED

The Cárdenas régime has not only continued the emphasis of previous administrations on extension of popular education, but has oriented the government program more definitely in favor of the working masses. General illiteracy was reduced in Mexico from 70 per cent in 1910 to 59 per cent in 1930. While in 1934, the last year of the Rodríguez administration, education was assigned

31 million pesos, it received under Cárdenas 40 million for 1935, 48 million for 1936 and 59 million for 1937.³⁹ Attempt has been made to fulfill the pledges of expansion laid down in the Six-Year Plan. Government officials assert that the number of Mexico's rural schools had risen to 10,000 in 1935; 11,000 in 1936; and approximately 13,600 in 1937.⁴⁰

"Socialist" education has also received continuing emphasis.⁴¹ But ferment and agitation still exist as to the exact meaning of this term in Mexico.⁴² A review of much confusing and contradictory literature makes at least two points clear. First, the new program is definitely anti-Church and to considerable degree anti-religious. There seems little doubt that it was originally adopted by the government as another political weapon in its struggle with the Church. Second, its theoretical basis is Marxian, but to date theory has had only a limited influence on administration of governmental policy and actual practice in the schools.⁴³ Positively, however, the new emphasis is designed to strengthen and extend government control of education.

One of the most significant steps taken by the Cárdenas régime has been an attempt to make secondary education available to the working masses. At Mérida, Yucatan it opened the first of five regional schools. The purpose of the new schools is, as stated, "to impart to the working class all the technical knowledge necessary to enable it to take over the direction and administration of all productive activities, and furthermore, to give it the culture and concrete techniques which will place it in position, should the occasion arise, to take charge of national affairs as a whole."⁴⁴ Attendance at these schools will be limited to workers, peasants, soldiers and their immediate families. A million pesos in the 1937 educational budget was earmarked for these institutions.

39. Manuel R. Palacios, "la gestión educativa bajo el gobierno del sr. gral. lázaro cárdenas," cited. The minimum salary for teachers was raised from approximately 55 pesos monthly in 1934 to 60 pesos in 1935 and 80 pesos in 1936. On Mexico's recent educational movement, cf. George I. Sánchez, *Mexico: a Revolution by Education* (New York, Viking, 1936); Simpson, *The Ejido—Mexico's Way Out*, cited, Chapters 14-16.

40. *El Nacional*, May 13, 1937.

41. For a discussion of its constitutional basis and significance, cf. Earle K. James, "Church and State in Mexico," *Foreign Policy Reports*, July 3, 1935.

42. One critic has remarked: "We are all Socialists. But no one says what kind of socialism is the Mexican." Blas Urrea, *Veinte Años Después* (Mexico City, Ediciones Botas, 1937), p. 231.

43. Cf. V. F. Calverton, "Education and Socialism in Mexico," *The Social Frontier* (New York), April 1936.

44. *El Universal*, December 27, 1936.

38. Of the \$350,000,000 invested in the oil industry, \$225,000,000 was estimated to be British and Dutch, and \$125,000,000 United States capital. Among the companies involved were the Aguila subsidiary of the Royal Dutch Shell, the Huasteca subsidiary of Standard Oil of New Jersey, the Standard Oil Company of California, the Sinclair group and the Richmond Petroleum Company.

38a. It is also asserted that corruption is rife among labor leaders. "It is no secret that the Mexico City Chamber of Commerce keeps a list of those regional leaders who can be reached, with their purchase price for settling strikes and for other services." L. O. Prendergast, "Growing Pains of Mexican Labor," cited.

MODERATION OF THE CHURCH CONFLICT

Church authorities have maintained, to the practical limit permitted by government repression, opposition to "Socialist" education, as well as to earlier anti-clerical laws. On January 16, 1936 a pastoral letter proscribed the program of "Socialist" education, and forbade parents to send their children to government schools in which it was taught.⁴⁵ Later in the same month the Episcopate made public a letter which it had addressed to President Cárdenas on November 23, 1935, requesting restoration of religious liberties and charging that "a state of religious persecution exists in Mexico."⁴⁶

None of Mexico's anti-Church laws have been repealed by the Cárdenas administration. In fact, a new weapon against supporters of the Church was forged by the law for Nationalization of Property, enacted in 1935.⁴⁷ This authorized seizure by the government of any property used for public worship since May 1, 1917. With the closing of many churches and strict limitation on the number of priests, Catholics frequently lent their homes for clandestine celebration of masses. The new legislation was designed to threaten such persons with loss of their property. Buildings used as residences of bishops or priests, or as Church schools, structures housing corporations and institutions of any religious character or employed for any religious purpose, were declared to be the property of the nation.

Aside from this legislation, the legal status of the Church-State conflict remains substantially unchanged. However, the practical policy of the present régime has been one of gradual moderation of hostility toward religious practices. President Cárdenas has abandoned the Calles policy of using the religious issue as a "red herring," whenever it seemed expedient to divert public attention from economic and social questions. He seems disposed to favor reopening the churches and all but one of the 27 states are reported to have permitted this step. Cárdenas has been compelled to go slowly in this program, because labor and other anti-clerical groups are strongly opposed to it, and much Church legislation is state rather than federal in character, thus necessitating the use of indirect pressure.

The actual enforcement of restrictive legislation

45. *New York Times*, January 17, 1936.

46. *Ibid.*, January 28, 1936.

47. Cf. *Diario Oficial*, August 31, 1935. James, "Church and State in Mexico," cited, reviews the history and terms of Mexico's Church legislation.

at present is very irregular. In some states no priests are allowed to officiate, while in others the number is fixed according to population. Although pressure from the Executive has apparently inclined the authorities in most places to wink at the holding of religious services and permit a larger number of priests to officiate than authorized by law, there is no indication that the legislation limiting the number of priests will be removed from the statute books.⁴⁸ In most cases this number is altogether inadequate. In the entire republic only 197 priests are allowed to officiate—approximately one for each 80,000 persons. Moreover, Cárdenas' announced support of "Socialist" education seems to preclude any modification of the provisions prohibiting parochial schools and religious teaching by clergy outside of churches.

ECONOMIC RECOVERY

One fundamental factor, which has influenced all phases of the Cárdenas administration, has been Mexico's rising prosperity. The year 1932 marked the lowest point for Mexico of the depression. Improvement began in the second half of that year, and had taken on "boom" characteristics before Cárdenas entered office at the end of 1934. Progress has continued during his administration. Among factors contributing to prosperity have been higher world prices for metals and raw produce, the increased purchasing power of the masses resulting from agrarian and labor policies, the expansion of domestic industry and the growth of tourist travel from the United States to Mexico.⁴⁹

Aside from the development of domestic industry, Mexico's productive capacity apparently has increased but little during the period. Since 1930 agricultural production has at best done no more than hold its own.⁵⁰ Mineral production has fallen off slightly, but has greatly benefited from higher prices. Its value, exclusive of petroleum

48. Modification of restrictions on the number of priests may be foreshadowed by a decision of the Mexican Supreme Court granting an injunction against application of a law of the State of Chihuahua, which permitted only one priest to function in the entire state. Cf. *El Universal*, May 5, 1937.

49. Tourist expenditures in Mexico were estimated at \$4,010,000 in 1933; \$8,110,000 in 1934; \$10,028,000 in 1935; and \$14,838,000 in 1936. The number of foreign tourists was 39,000 in 1933; 62,000 in 1934; 73,000 in 1935; and 100,000 in 1936. *Mexican News Letter*, April 5, 1937. The opening in July 1936 of the highway connecting Mexico City and Texas materially stimulated the tourist influx.

50. Jesús Silva Herzog, "El Panorama Económico de México," *Futuro*, April 1936, gives statistics for the area cultivated and the production value of 19 leading crops.

and coal, rose from a low point of 170 million pesos in 1932 to 413 million in 1935.⁵¹

Silver, one of Mexico's most important exports, has profited materially from the silver purchase program of the United States.⁵² From 43 cents an ounce in December 1933 the New York price rose to a high of 81 cents in April 1935 and stood above 65 cents until almost the end of the year. During 1936 it returned to a general level of 44 or 45 cents. While the United States program brought prosperity to Mexico, as the world's largest producer of silver, it also caused some monetary difficulty.⁵³

Despite the stress of the Six-Year Plan on the development of economic self-sufficiency, Mexico's foreign trade, both imports and exports, has continued to expand. The figures are as follows:

MEXICO'S FOREIGN TRADE, 1931-1936⁵⁴

(in thousands of pesos)

Year	Imports	Exports	Total
1931	216,585	399,711	616,296
1932	180,912	304,697	485,609
1933	244,475	364,967	609,442
1934	333,942	643,741	977,683
1935	406,135	750,294	1,156,429
1936	464,143	775,313	1,239,456

Rising government revenues have facilitated fulfillment of the pledges in the Six-Year Plan.

GOVERNMENT INCOME AND EXPENDITURES, 1933-1936⁵⁵

(in thousands of pesos)

Year	Receipts	Expenditures
1933	228,010	245,951
1934	295,277	263,705
1935	323,261	302,788
1936	407,000	405,000

The 1937 budget was calculated at 333 million pesos for both revenues and expenditures. War and navy are assigned 80 million as compared with 69 million originally allotted in the 1936

budget; education 59 million as compared with 48 million; communications 36 million as compared with 35 million; and public debt 35 million as compared with 17 million.⁵⁶

Although unemployment in Mexico has stood at a relatively low figure,⁵⁷ rising prices affecting the necessities of life have attended the current "boom," and occasioned considerable popular agitation in the spring of 1937. From January to December 1936 the index number for prices of food articles was reported to have risen 29 per cent. Corn, the staff of life in Mexico, increased in retail price at Mexico City from 8 centavos a kilogram in January 1936 to 15 centavos in March 1937, or 87 per cent.

If the prices of Mexico's metal exports continue high as the consequence of the world-wide armament race, this factor should serve to buttress both the country's prosperity and the stability of the present administration. Furthermore, President Cárdenas has achieved a degree of popular support larger than that accorded any recent Mexican ruler. His dictatorship is almost *sui generis*. The totalitarian aspects of certain economic and political policies give it some resemblance to European dictatorships. But it is far from completely regimenting national life, as Mexico's conflicting jumble of economic systems, not to mention the freedom of the press, amply demonstrates. Actually it is nearer the pattern of personal dictatorship traditional in Latin America than to the ideological régimes of Europe. It is fundamentally a benevolent paternalism, strikingly similar in some respects to the rule of a tribal chieftain. The labor movement, the *ejido* communities and possibly the National Revolutionary party provide certain organizational moulds for the Mexican masses. As yet they fall short of that adequate institutional base, which is essential if democracy—either bourgeois or Socialist—is to replace dictatorship in Mexico.

51. U. S. Department of Commerce, *Foreign Commerce Yearbook*, 1934, 1935, 1936.

52. Begun originally in December 1933 and continued under the Silver Purchase Act of June 19, 1934. In January 1936 the U. S. Treasury announced that it had made an agreement with Mexico by which it would purchase through the Bank of Mexico practically all of the newly mined Mexican silver. Fifty-four per cent of Mexico's silver output is estimated to come from American owned mines.

53. During April 1935 the price of silver appreciated so rapidly that it became profitable to melt down Mexican coins and sell them as bullion. To forestall this contingency, the Mexican government issued a decree requiring all silver pieces to be turned into the Treasury to be exchanged for notes. A law of August 28, 1936 restored silver coinage at its former fineness of 72 per cent.

54. *Foreign Commerce Yearbook*, 1936, cited. Page 243 gives statistics for 1931-1935. Figures for 1936 are published in *Excelsior*, June 4, 1937. In November 1933 the Mexican peso, which had averaged during 1932 a value in relation to the dollar of approximately 36 cents, was depreciated to 28 cents.

55. 1933-1935 figures from *Foreign Commerce Yearbook*, 1935, 1936, cited. Figures for 1936 are from "Economic and Financial Developments in Latin America in 1936," *Commercial Pan America*, March-April-May 1937 (Washington, Pan American Union), p. 37. The above statistics do not include extra-budgetary operations of considerable size.

56. *Ibid.*, p. 37. Education received substantially the 18 per cent of the total 1937 budget prescribed by the Six-Year Plan.

57. In 1935 it was estimated at 180,000, out of a total population of approximately 18,500,000. Data from Dirección General de Estadística.